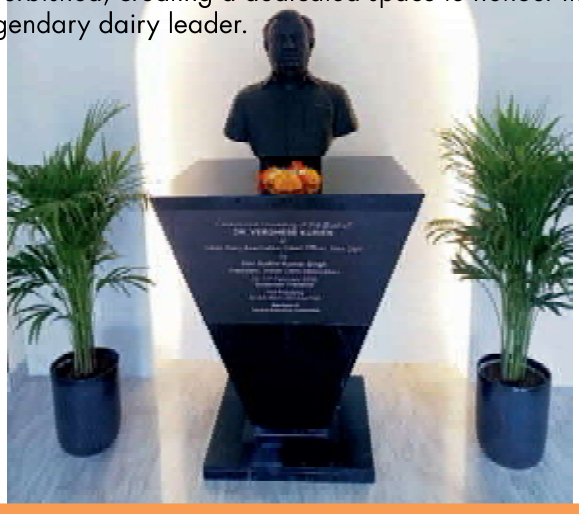
IDA News

Bust of Verghese Kurien Unveiled at IDA House

A bust of Dr. Verghese Kurien, the architect of India's White Revolution, was unveiled at the Indian Dairy Association (IDA) House on 11th February 2026. The unveiling of bust was carried out by Shri Sudhir Kumar Singh, President of IDA, in the presence of Vice Presidents Dr. S.S. Mann and Shri Arun Patil, along with members of the Central Executive Committee. The brief ceremony was held ahead of the inauguration of the 52nd Dairy Industry Conference (DIC). To accommodate the bust, the reception area of the IDA Head Office was refurbished, creating a dedicated space to honour the legendary dairy leader.



Members of the Association welcomed the initiative and appreciated the enhanced reception area, noting that the installation serves as a lasting tribute to Dr. Kurien's enduring contributions to India's dairy sector and rural transformation.

Farmers Awareness Program Organized by IDA (NZ) Haryana State Chapter, Karnal

The Haryana State Chapter (HSC) of the Indian Dairy Association (IDA) organized a Farmers Awareness Program on "**Sustaining Milk Production and Reproduction through Mineral Mixture Feeding**" at Village Dakhwala, Karnal, on January 28, 2026.

Dr. Mahendra Singh, Chairman, IDA-HSC, welcomed the **Chief Guest, Dr. M.L. Madan**, Padma Shri awardee and former DDG (Animal Sciences), along with the dairy farmers attending the program.

Dr. Singh explained the objectives of the awareness program and demonstrated a simple method for preparing balanced feeding rations at home. He elaborated on preparing concentrate mixtures using locally available ingredients in appropriate proportions

of fat, carbohydrates, protein, fibre, mineral mixture, and common salt. Farmers were advised to use grains such as wheat, maize, sorghum, mandusi, etc. (33%), oil cakes (33%), wheat/rice bran (30%), mineral mixture (2%), and common salt (1%). The concentrate mixture should be fed according to the milk production level of cows and buffaloes.

He emphasized that routine use of mineral mixture significantly enhances both milk production and reproductive performance through balanced nutrition. Mineral supplementation helps overcome nutrient deficiencies in animals and addresses problems such as anestrus and repeat breeding. The importance of mineral mixture feeding in improving milk yield and maintaining reproductive cyclicity in dairy animals was discussed in detail. Mineral supplementation also improves milk composition by influencing metabolic functions, enhancing rumen fermentation, and maintaining udder health. Minerals like calcium and phosphorus directly affect milk synthesis, while zinc (Zn) and selenium (Se) improve milk quality by enhancing immunity and reducing somatic cell count (SCC). Minerals in chelated form provide higher bioavailability and further improve milk yield and composition, including fat and protein content in lactating animals.

Dr. Singh also highlighted essential winter management practices. He stressed the need for dry paddy straw bedding to protect animals from cold winds. During winter, the energy requirement of animals increases for maintenance and milk production; therefore, energy-dense rations should be provided. Animals should be offered lukewarm water, as water is a major constituent of milk and may become a limiting factor for milk synthesis. Availability of mineral mixture and feeding of protein-rich green fodder such as trifolium alexandrinum (berseem) help sustain milk production during winter. Farmers were also advised to provide adequate dry matter in the form of wheat or paddy straw, which generates additional body heat due to its high fibre content.

The **Chief Guest, Dr. M. L. Madan**, a renowned scientist and administrator, took keen interest in the management practices followed by dairy farmers, including those at a buffalo farm. He emphasized that farmers should prepare silage themselves to increase profitability. He encouraged the use of elite cow semen and sexed semen to rear high-yielding animals. Dr. Madan also stressed the importance of maintaining daily records of feeding costs, management expenses, and milk production performance. He noted that there is significant scope for increasing milk production in the country, supported by about 29 IVF centres engaged in multiplying elite cattle. He explained that livestock have a narrow window for successful insemination, making timely breeding essential. Adoption of modern technologies such as IVF, sexed

semen, cloning, and embryo transfer will be crucial for augmenting and sustaining milk production in the future. He also highlighted the role of dairying in generating income and ensuring sustainability in rural areas.

Dr. Parveen Kumar, Member (RE), IDA-HSC, explained the significance of the awareness program and its relevance to dairy farmers. He stated that the objective of the IDA HSC is to educate farmers on the latest technological interventions to enhance milk production and reproductive efficiency in cows and buffaloes. He emphasized that farmers' income can be increased by maintaining high-quality milch animals, using superior semen, providing balanced feeding, and adopting innovative management practices.

Approximately 60 dairy farmers actively participated in the program and interacted with dairy scientists regarding day-to-day challenges in animal keeping, feeding, breeding, and management. Animals and calves were examined for general health and mastitis. Samples of mineral mixture and calf dewormer were distributed to create awareness and encourage their use for animal welfare. The farmers expressed their gratitude to the IDA Haryana State Chapter for organizing the program and for enhancing awareness about the importance of mineral mixture feeding and scientific dairy practices for improving animal productivity.

The program concluded with a strong message on the importance of balanced nutrition, scientific breeding, and modern management practices for sustaining milk production and improving the livelihood of dairy farmers.

NATIONAL News

Compliance Gaps in Labelling Impact Dairy Export Growth

India's dairy exports have grown substantially over the past decade, rising from approximately US $170 million in 2009-10 to more than US $720 million in 2024-25. However, despite this impressive expansion, exporters continue to face recurring shipment rejections in key international markets - not primarily due to product safety concerns, but because of labelling and documentation shortcomings.

Researchers examining export performance have identified labelling compliance as a critical weak point in India's dairy trade. According to data compiled from the United Nations Industrial Development Organization (UNIDO) export rejection records, India recorded about 344 rejected consignments of dairy products (HS04 category) between 2010 and 2024 in major markets such as the United States and Australia.

Significantly, around 57 percent of these rejections were attributed to labelling-related non-compliance rather than deficiencies in product quality or safety. Common issues included missing allergen declarations, incorrect or incomplete product descriptions, misleading claims, improperly formatted nutrition panels, and failure to adhere to destination-specific labelling regulations.

The findings highlight a regulatory blind spot in the export ecosystem. As Indian dairy companies expand their global footprint, inconsistencies in meeting diverse international labelling standards continue to undermine market access. Such lapses not only lead to shipment refusals but also result in financial losses, higher compliance costs, logistical disruptions, and damage to exporter credibility.

Industry experts view the situation as a missed opportunity because labelling improvements are comparatively easier to implement than structural changes in production systems. Strengthening compliance mechanisms could significantly reduce export rejections and enhance the competitiveness of Indian dairy products in international markets.

Addressing the issue will require coordinated action among regulatory authorities, export promotion bodies, and industry stakeholders. Specialists recommend systematic training for exporters on country-specific labelling norms, improved documentation practices, and closer alignment of domestic regulations with stringent global standards.

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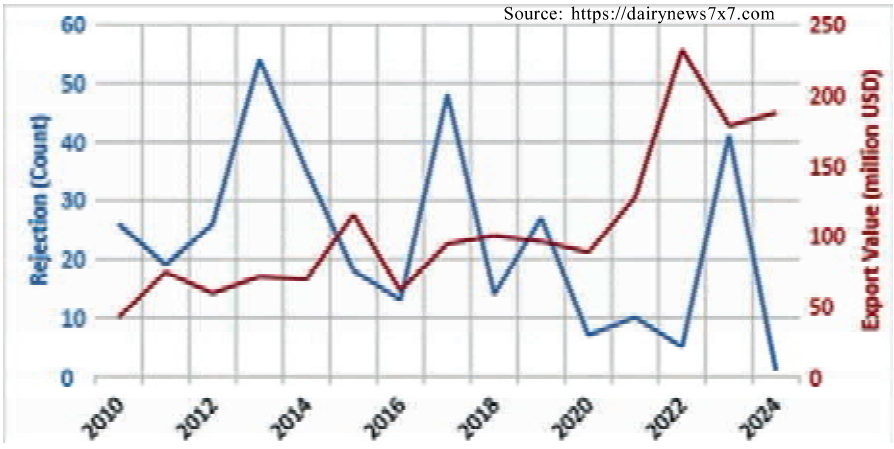

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Policy attention to this area could unlock substantial untapped export potential, particularly in high-value markets such as the European Union, North America, and East Asia. By closing the compliance gap in labelling and documentation, India's dairy sector can improve reliability, reduce wastage, and consolidate its position as a credible supplier in the global dairy trade.

Budget 2026-27: Record Allocation for Animal Husbandry, Yet Dairy Sector Seeks Stronger Push

Union Budget 2026-27, presented in Parliament on February 1, 2026 by the Hon'ble Finance Minister Mrs. Nirmala Sitharaman, reiterated the Government's commitment to agriculture and allied sectors as key drivers of rural employment and income growth. Animal husbandry, dairying and livestock were highlighted as priority areas; however, a closer examination of allocations and scheme design suggests that while funding has increased, transformative support for the dairy sector remains limited.

The Department of Animal Husbandry & Dairying (DAHD) has been allocated approximately Rs. 6,153 crore - one of the highest ever for the department. The increase reflects continued policy attention to livestock-based livelihoods, which support more than eight crore farmers across India.

Key scheme allocations include:

National Programme for Dairy Development (NPDD): Rs.1,055 crore, aimed at strengthening milk chilling, processing infrastructure and cooperative institutions.

Rashtriya Gokul Mission (RGM): Rs.800 crore, focusing on indigenous breed improvement and genetic upgradation.

Animal Husbandry Infrastructure Development Fund (AHIDF): Rs.465 crore, primarily for interest subvention and credit guarantees to attract private investment.

Integrated Entrepreneurship Development Scheme: Rs.500 crore, a new initiative to support livestock and dairy value-chain enterprises through credit-linked assistance.

While these figures represent notable nominal increases, stakeholders note that most enhancements are incremental, designed to sustain existing programmes rather than create large-scale structural change.

In her budget speech, the Finance Minister emphasised allied sectors as engines of rural prosperity, highlighting support for Credit-linked entrepreneurship programmes; Modernisation of livestock enterprises; Integrated dairy and poultry value chains; and Promotion of Livestock Farmer Producer Organisations (FPOs).

These measures aim to catalyse private investment and enterprise development in rural and peri-urban areas. However, experts caution that policy intent alone may not deliver rapid transformation without stronger public investment and targeted incentives.

Scheme-Level Assessment

Rashtriya Gokul Mission: The increased allocation acknowledges productivity challenges linked to low genetic potential in cattle. Yet, given India's vast livestock population, the funding may still be insufficient to produce substantial gains without sustained multi-year support and strict performance monitoring.

Infrastructure Development: Continued funding for NPDD and AHIDF supports milk processing and cold-chain expansion. However, access to credit, collateral requirements, and financing costs often limit participation by small entrepreneurs and cooperatives. Critical infrastructure such as bulk milk cooling units, testing laboratories and cold storage networks still lacks large-scale subsidy support.

Entrepreneurship and Veterinary Capacity

A notable positive element is the focus on entrepreneurship and human capital. The new scheme for livestock enterprises seeks to lower entry barriers for startups, FPOs and service providers in dairy, feed and veterinary sectors. The Budget also emphasises expansion of veterinary education and infrastructure, including support for private colleges and laboratories - an important step toward addressing shortages of trained personnel and para-veterinary services.

While the increased allocations have been widely welcomed, stakeholders also identified areas where further strengthening could unlock even greater growth potential for the dairy sector:

Opportunities for Supporting Small and Medium Processors: There is significant scope to introduce targeted incentives for mini-dairies and local processing units. Such support could empower rural entrepreneurs, promote value addition at the village level, and generate employment closer to milk production centres.

Strengthening Export Orientation: Stakeholders highlighted the opportunity to develop a focused strategy to enhance India's presence in global dairy markets. With its vast milk production base and diverse product portfolio, India is well positioned to expand exports and build a stronger international brand for its dairy products.

Expanding Cold-Chain and Quality Infrastructure: Given India's milk output of over 200 million tonnes annually, expanding investments in chilling facilities,

storage networks, and traceability systems could significantly reduce losses, improve quality, and enable farmers to realise better prices. Enhanced infrastructure would also support the growth of organised dairy value chains.

Greater Recognition of Dairy within Agricultural Funding: Dairying plays a vital role in rural livelihoods and contributes substantially to agricultural GDP. Stakeholders emphasised that additional dedicated funding could further accelerate productivity, sustainability, and income stability for millions of dairy farmers across the country.

Overall, the Union Budget 2026-27 reflects sustained commitment to the animal husbandry and dairy sectors, reinforcing ongoing programmes and policy directions that support long-term growth. While it does not introduce sweeping reforms, the continued focus on productivity, value addition, entrepreneurship and institutional strengthening is expected to build a solid foundation for future expansion.

The emphasis on promoting enterprise development, strengthening cooperative and private institutions, and enhancing value chains has been widely appreciated. These measures are likely to yield steady and durable improvements in processing capacity, market access, and farmer incomes over time, ensuring that growth remains inclusive and sustainable rather than short-lived.

NDDB Chairman and IDF Director General Exchange Agreement to host World Dairy Summit 2027 in India

Dr Meenesh Shah, Chairman, National Dairy Development Board (NDDB); Board Member, International Dairy Federation (IDF) & Member Secretary, Indian National Committee of IDF (INC-IDF) and Ms. Laurence Rycken, Director General, IDF exchanged an agreement on 12th February 2026 in New Delhi to host the IDF World Dairy Summit 2027 in India.

The exchange of agreement took place in the gracious presence of Shri Chirag Paswan, Hon'ble Union Minister of Food Processing Industries and Prof. S.P. Singh Baghel, Hon'ble Union Minister of State for Fisheries, Animal Husbandry & Dairying at the Inaugural Ceremony of the 52nd Dairy Industry Conference, organized by Indian Dairy Association (NZ) along with IDA Western UP Chapter.

The Summit will be organised by the INC-IDF at Jio World Convention Centre (JWCC), Mumbai from 16 to 19 November 2027.

The agenda will include meetings of the IDF Board, the General Assembly and various technical committees. The event is expected to attract over 1,500 delegates from across the globe, representing a majority of the international dairy market. Attendees will include policymakers, dairy farmers, cooperatives, processors, researchers, financial institutions, start-ups and technology providers.

At the 118th General Assembly held on 14 October 2024 in Paris, members voted in favour of India hosting the World Dairy Summit 2027. India previously hosted the IDF WDS in 2022 in Delhi-NCR, which was inaugurated by the Hon'ble Prime Minister of India, Shri Narendra Modi.

The IDF World Dairy Summit (WDS) is the flagship annual event of the IDF. It serves as a global platform for stakeholders to review the world dairy situation, discuss technical and policy issues and align on strategic directions for the sector.

ARCON 2026: Hyderabad Hosts Landmark Ammonia Refrigeration Summit

The Association of Ammonia Refrigeration (AAR) organized a Summit *i.e.* ARCON 2026 on January 30 in Hyderabad. The one-day event brought together a large gathering of stakeholders from the refrigeration and dairy sectors to deliberate on sustainable cooling solutions and future industry trends.

The summit was inaugurated by Chief Guest Shri D. Sunil Reddy, Managing Director of Dodla Dairy Limited. In his keynote address, he highlighted ammonia as one of the most efficient and environmentally sustainable refrigerants, particularly suited for dairy operations due to its reliability and long history of safe use.

Shri Reddy also commended AAR for strengthening industry standards and emphasized the need for rigorous safety protocols, continuous technological innovation, and wider adoption of best practices across the refrigeration ecosystem. The event was attended by Shri B.V.K. Reddy, CEC Member of the Indian Dairy Association, underscoring the close linkage between refrigeration technology and the dairy sector.

ARCON 2026 served as a dynamic platform for knowledge exchange and collaboration. Exhibition stalls showcased advanced ammonia-based equipment and digital solutions, while expert speakers from India and abroad presented emerging global trends. Interactive panel discussions addressed key challenges and opportunities facing the industry.

The summit concluded on a high note, fostering new partnerships and reaffirming ammonia's critical role as a cornerstone of sustainable industrial refrigeration for the dairy and food sectors.

Dodla Dairy Shines Globally at LACP Vision Awards 2024/250

Dodla Dairy Limited – A Benefactor Member of IDA has earned global acclaim by securing three major honours at the prestigious LACP Vision Awards, organized by the League of American Communications Professionals. Competing against nearly 1,000 organizations from over 20 countries, the company's 2024/25 Annual Report was recognized for outstanding transparency, strategic communication, and design excellence.

The company received the Platinum Award for peak excellence within the dairy industry, was ranked #41 globally among the Top 100 Annual Reports worldwide-alongside leading Fortune 500 corporations-and earned the Technical Achievement Award for overall excellence in reporting communications and execution.

In one of the most competitive editions of the awards, Dodla Dairy achieved an exceptional score of 99 out of 100, reflecting near-perfect performance. Entries were evaluated by an international panel of senior communications professionals on a level playing field, irrespective of company size or revenue.

This recognition underscores Dodla Dairy's strong corporate governance standards and its ability to present its vision, performance, and sustainability commitments to stakeholders with clarity and global credibility.

AI-Driven Innovations Reshape Dairy Animal Healthcare in India

Artificial intelligence (AI) is rapidly transforming dairy cattle health management in India, offering scalable and cost-effective tools to improve diagnostics, productivity and farm profitability. With dairying serving as a critical source of rural livelihoods and nutritional security, the sector is increasingly embracing AI-enabled solutions - including computer vision, sensor-based monitoring and predictive analytics - to support timely, data-driven decision-making by farmers and veterinarians.

One of the most significant applications of AI is real-time animal health monitoring. Advanced systems using cameras, wearable sensors and machine-learning algorithms can analyse cattle behaviour, gait, feed intake and physiological indicators to detect early signs of disease, heat stress or metabolic disorders. Early alerts enable prompt intervention, reducing disease severity, lowering mortality and helping maintain stable milk production. Importantly, the availability of smartphone-based tools and affordable Internet-of-Things (IoT) devices has made these technologies accessible even to smallholder farmers who traditionally had limited veterinary support.

AI is also strengthening reproductive management and herd planning. Predictive models trained on historical herd data can estimate optimal insemination windows, identify animals at risk of reproductive disorders and recommend feeding adjustments. Such decision-support tools help reduce unproductive days, improve conception rates and enhance lifetime productivity of animals. This is particularly relevant for India, where average milk yields remain below those of many developed dairy economies and improved reproductive efficiency can significantly boost farm incomes.

Technology firms and agri-startups, often working in collaboration with dairy cooperatives and processors, are deploying AI-driven advisory platforms tailored to local conditions. These applications integrate real-time animal data with farm records to provide personalised recommendations in regional languages. Farmers receive alerts on vaccination schedules, nutritional requirements, disease risks and management practices, and in many cases can access remote veterinary consultation through the same platform. Such digital tools help bridge long-standing gaps in extension services, especially in remote rural areas.

Beyond individual farms, AI is emerging as a powerful planning tool at cooperative and policy levels. Aggregated and anonymised data from thousands of animals can be analysed to identify disease trends, anticipate outbreaks and guide preventive strategies. Cooperatives can use these insights to plan fodder supply, veterinary infrastructure and milk procurement more efficiently, while policymakers can better assess the impact of climate variability and market fluctuations on dairy production.

Despite its promise, widespread adoption of AI in dairying faces several challenges. Farmers require training and digital literacy to interpret and act on technology-generated insights.

Reliable connectivity, device affordability and technical support remain critical factors for sustained use. Additionally, integrating animal health data with milk quality assurance, traceability systems and supply chains is essential to ensure that productivity gains translate into higher market value. Safeguarding data privacy, ensuring interoperability among platforms and protecting farmer interests in an evolving digital ecosystem are also key considerations.

Experts believe that AI adoption marks a decisive move toward precision livestock farming in India. By enabling continuous health surveillance, predictive risk management and personalised advisory services, AI has the potential to reduce disease-related losses, enhance animal welfare and improve economic returns across the value chain. As investments by cooperatives, processors and technology providers continue to grow, these innovations could deliver particularly strong benefits for smallholder and women-led dairy enterprises that form the backbone of India's milk production system.

Overall, AI-driven health management represents a transformative opportunity for the Indian dairy sector, promising not only higher productivity but also greater resilience, sustainability and inclusiveness in the years ahead.

Gopalak Farms Hits Rs. 36 Lakhs Revenue in Six Months

A premium direct-to-consumer dairy and wellness startup, Gopalak Farms, has achieved an impressive milestone by generating Rs.36 lakhs in revenue within just six months of its full commercial launch in September 2025. The bootstrapped venture focuses on producing authentic A2 bilona ghee using traditional Vedic methods, catering to the growing demand for pure, traceable, and nutritionally rich dairy products in India's expanding wellness food market.

Founders and Origin: The enterprise was founded by three childhood friends - Rishabh Jain, Ddipesh Kataria, and Mitali Thakur - from Gurgaon, who reunited in mid-

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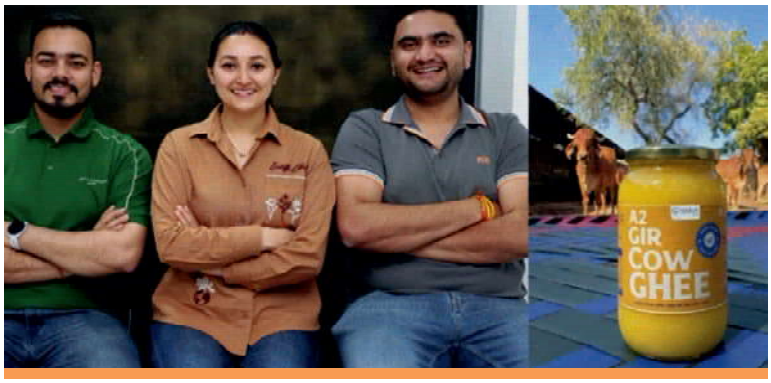

2024 after pursuing diverse professional careers in law, banking, and family business. Driven by a shared vision to revive India's traditional food heritage through a farm-to-table approach, they pooled their resources and expertise to establish a premium dairy brand rooted in authenticity and transparency.

Integrated Farm Model: Gopalak Farms operates a vertically integrated production system supported by a 20-acre certified organic farm in Alwar, Rajasthan. The founders invested Rs.20 lakhs from their personal savings to pilot the venture in late 2024. The business was later incorporated as Wild Organicals Private Limited and transitioned to full commercial operations in 2025, enabling direct control over sourcing, production, and quality assurance.

Flagship Product: The Company's primary offering is A2 bilona ghee, prepared using the ancient bilona method, a process believed to be over 5,000 years old. Milk from hormone-free, grass-fed indigenous Gir cows is first converted into curd and then hand-churned in small batches to obtain butter, which is slowly clarified into ghee. This traditional technique is known for preserving natural aroma, texture, and nutritional components. The product is priced at Rs.2,349 per litre for A2 Gir cow ghee and Rs.1,599 per litre for A2 buffalo ghee, positioning it in the premium segment as an alternative to industrially processed ghee.

Product Diversification: Beyond ghee, the brand has expanded its portfolio to include a range of natural and minimally processed foods. These comprise unprocessed honeys such as wild forest honey sourced from Spiti and tulsi honey, cold-pressed edible oils including groundnut, sesame, and mustard, as well as organic jaggery and artisanal pickles. The company emphasises ethical sourcing practices aimed at supporting fair wages and rural farm communities.

Market Response: The startup currently serves over 4,500 customers across the country and reports a repeat purchase rate of approximately 90 percent, indicating strong consumer trust and satisfaction. Encouraged by this response, the founders are targeting a revenue of Rs.50 lakhs for the financial year 2025-26.

Bootstrapped Growth Strategy: Operating without external funding, Gopalak Farms has adopted a lean approach to expansion. Its marketing strategy relies heavily on social media engagement, consumer education about traditional dairy practices, and community farm visits that provide transparency regarding production processes. These initiatives help justify premium pricing in a competitive natural foods marketplace.

Future Plans: Looking ahead, the company plans to expand its dairy offerings to include A2 paneer and fresh milk. It is also exploring export opportunities in the Middle East and North America, where demand for authentic Indian dairy products is steadily increasing. Strategic partnerships and external investment may be considered to accelerate growth while preserving the brand's farm-to-table philosophy.

The early success of Gopalak Farms reflects a broader shift in consumer preferences toward traditional, high-quality foods with clear provenance, highlighting the rising potential of premium dairy ventures built on authenticity, sustainability, and direct consumer engagement.

INTERNATIONAL News

International Dairy Market: Overview

As per the latest USDA data during February 2-13, 2026, international market overview are as follows:

EUROPEAN

Western European

European dairy markets continue to face sustained pressure as global milk production exceeds demand, resulting in abundant raw milk availability across the region. Elevated supplies are weighing on prices for butter, powders, and other dairy commodities, while processors contend with tighter margins and rising inventories. Without a meaningful demand recovery or production slowdown, market conditions are expected to remain challenging, limiting nearterm price support across EU dairy complex.

The European Union and India have finalized negotiations on a comprehensive free trade deal to date and a step toward deeper economic cooperation.

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Once ratified, the agreement is expected to improve multiple sectors, including agriculture, potentially creating longer-term opportunities for EU dairy exports into a large and growing consumer market.

Eastern European

The European dairy sector is facing a growing supply imbalance as milk production continues to outpace demand, prompting Italy, Romania, and Slovakia to call for urgent EU-level action. Proposed measures include voluntary production reduction, private storage aid for butter and cheese, and targeted financial support to stabilize farm incomes and relieve pressure on dairy markets while longer-term demand solutions are developed

OCEANIA DAIRY MARKET

New Zealand

Following Global Dairy Trade (GDT) event 397, a group in New Zealand that forecasts milk prices increased their milk price forecast for the 2025/2026 season by 15 cents from $9.53 per kilogram milk solids (kgMS) to $9.68/kgMS. The spot value of milk increased to $9.45/kgMS from $8.98/kgMS. Prices increased for all commodities at GDT event 397, exceeding expectations and leading to increased commodity futures prices.

A large New Zealand cooperative started a NZ$75 million expansion of a butter plant in the Canterbury region. The plant is the cooperative's only operation producing butter on the South Island. The expansion is part of the cooperative's larger strategy to increase output of high-value milkfat products and includes capacity to produce halal and kosher options. The cooperative intends to invest up to NZ$1 billion over the next three to four years in production capacity for high-value products and efficiency improvements.

New Zealand dairy products company Meadow Fresh launched a fantasy league centered around dairy cows. In Fantasy Herd, players draft real cows from a dairy herd in the Otago region, located on the South Island. Smart collars worn by each cow record milking statistics and other behavioral data, which in turn are translated to point totals at the end of each week. Points are not just awarded for milk output, however. When the data indicates a cow is engaging in beneficial behaviors, such as sufficient sleep and good rumination, they will also generate points for their team. The goal of the league is to promote awareness of dairy farming and highlight the dairy industry in New Zealand.

Australia

Dairy Australia recently released export data for Australia showing milk export volumes from July - December 2025 totaled 89,242 metric tons, an increase of 17.7 percent compared to export volume totals from July - December 2024.

A recent report by Queensland's Department of Primary Industries revealed that Queensland-based farmers earned the country's highest average milk-solids price in the 2024/2025 season, averaging $12.56 per kilogram of milk solids. Queensland and Western Australia were the only states to record an increase in average milk prices from the 2023/2024 season. Strength in Queensland's average milk prices was attributed mainly to lower supply levels and the departure of smaller farms from the industry.

SOUTH AMERICA DAIRY MARKET

Spring flush has passed for the Southern Cone countries of Argentina, Brazil, Chile, and Uruguay. Based on historical patterns, Argentina has entered its lowest production cycle, coinciding with the seasonal troughs in Brazil and Uruguay. Chile's lowest production period remains concentrated in June-July.

Argentina and Brazil rely on corn and corn silage as core components of dairy feed rations. Argentina and Brazil use an estimated 23 and 50 percent of their corn crop grown, respectively, for domestic animal feed. The February World Agricultural Supply and Demand Estimates (WASDE) report was released this week, including updated corn production estimates for Argentina and Brazil. For the 2025/26 crop year, Argentina's corn crop is forecast to increase moderately, with corn exports projected to rise a significant 25 percent, absorbing the majority of 2026 production. Brazil's corn crop-where the secondseason harvest remains the key focus-is forecast to decline modestly, on lower yields, while corn exports are expected to increase modestly, tightening the country's ending stocks. Dairy production in Uruguay and Chile is more pasture based, and both countries rely on imported corn feedstock, including deliveries from Argentina and Brazil.

Argentina remains a substantial exporter of whole milk powder (WMP), as is Uruguay. Brazil remains a net importer of WMP. Per CLAL, at the end of January, WMP prices for Latin America were near parity with World Average Prices, following receiving a discount for most of 2025.

US Dairy Exports Near Record in 2025

US dairy exports surged sharply in calendar year 2025, with total export value hitting approximately $9.51 billion, a 15% increase over 2024 and just below the

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2022 record of $9.55 billion. Strong global demand underpinned the near-record performance, underscoring the United States' expanding role in international dairy markets.

Total US dairy export volume reached 2.8 million metric tons in 2025, up about 5% year-over-year, reflecting growth across key product categories and regions. Export strength was particularly notable in cheese and butterfat products, with several destinations posting double-digit gains.

Key highlights from 2025 trade data:

- Cheese exports climbed 20% to 1.35 billion pounds, driven by robust shipments to Mexico, South Korea, Japan and other markets; value of cheese exports reached $2.97 billion.
- Butter exports skyrocketed 162% to 184.2 million pounds, breaking prior records, with export value up 141 %.
- Yogurt exports also hit a record high (80.9 million pounds, +32%), reflecting rising global demand for cultured dairy products.
- Nonfat dry milk (NDM) exports posted a 9% rise in 2025, one of the few categories to grow against past volatility, though some other ingredients, like whey protein concentrate, saw mixed results.

Leading export markets included Mexico ($2.58 billion), Canada ($1.3 billion), Japan ($557.4 million), South Korea ($517.7 million) and China ($523.2 million) — highlighting geographic diversity in U.S. dairy demand.

GDT 398: Dairy Prices Extend Rally as Global Demand Strengthens

Event 398 of the Global Dairy Trade (GDT), held on 17 February 2026, delivered another encouraging outcome for international dairy commodity markets, marking the second consecutive price increase after a prolonged downturn through much of 2025. The overall GDT Price Index rose by 3.6%, lifting the average winning price to USD 4,028 per metric tonne. A total of 22,240 tonnes of product was traded, signalling renewed buyer confidence and strengthening global demand.

Participation levels and trading dynamics underscored the improved market sentiment. The auction attracted 167 registered bidders, of whom 105 were successful. Competitive bidding extended over 23 rounds across nearly four hours, reflecting sustained interest in dairy powders and fats - commodities that form the backbone of global export pricing benchmarks.

Market indicators suggest that the early-2026 rally has been broad-based across key dairy products. Butter continues to demonstrate exceptional strength, with price gains outpacing most other categories. Skim Milk Powder (SMP) and Whole Milk Powder (WMP) have also been rising steadily, supported by firm demand from importing regions.

Other fat-based and speciality products are showing structural support as inventories tighten in several major producing regions. Although detailed per-product figures were not released for this event, recent auctions have recorded double-digit increases in products such as SMP and mozzarella, alongside strong momentum in butter and anhydrous milk fat. These trends indicate that buyers are prioritising essential dairy ingredients amid moderated supply conditions.

The improvement in GDT prices marks a notable shift from the slump experienced in late 2025, when global oversupply and subdued participation drove a sequence of declines. Elevated milk production in major exporting regions - including New Zealand, Europe and the United States - had previously weighed heavily on auction outcomes.

In contrast, several emerging factors appear to be supporting the current upturn:

Seasonal and Strategic Restocking: Importers in North Asia and the Middle East are returning to auction platforms to secure supplies ahead of seasonal consumption peaks. This suggests demand-driven purchasing rather than speculative activity.

Tighter Available Supply: As 2026 begins, seasonal production slowdowns in the Southern Hemisphere and shifts in milk utilisation - particularly diversion of milk solids toward cheese manufacturing - are reducing the volume of powders available for export.

Strength in Core Commodities: Key products central to exporter pricing portfolios, especially butter, SMP and WMP, have registered significant year-to-date gains. Rising prices in these segments indicate buyers' willingness to pay premiums for critical inputs.

Improved Market Sentiment: Earlier auctions in January and February had already posted notable increases, helping shift market psychology from pessimism to cautious optimism and reinforcing expectations of recovery.

Overall, the positive outcome of GDT Event 398 reinforces signs of an emerging recovery in global dairy markets after the sharp slide of late 2025. The combination of tightening real supply, strategic restocking and returning demand suggests that the market may be entering a new pricing phase.